

CURRENCIES

NEWS FROM TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS
FOURTH QUARTER, 2005

BREDESEN APPOINTS ACTING COMMISSIONER

Greg Gonzales Serving in Role

Governor Phil Bredesen appointed Greg Gonzales Acting Commissioner of the Department on Dec. 5. Gonzales will temporarily fill the vacancy created by the resignation of Commissioner Kevin P. Lavender.

"We've made real progress at Financial Institutions, in part due to the work of Greg Gonzales in support of Commissioner Lavender," Bredesen said. "I am pleased that Greg has agreed to step into this position so we can take time to find the right person to continue the work we've started."

Gonzales, who also serves as Assistant Commissioner and General Counsel, has been with the Department for 19 years. In this role, he is responsible for coordinating the provision of legal advice to the Department. Gonzales also directs the budget, human resource and legislative functions for the Department.

"I am pleased to serve as Acting Commissioner of the Department and seek to continue the vision of our Governor through this process. I look forward to working with the next Commissioner and expect it to be a seamless transition," Gonzales said.

Gonzales, a native of Baxter, Tenn., is a member of the board of directors of the Money Transmitter Regulators Association, a national organization of state regulators who have the regulatory responsibility for non-bank money transmission. He is also a member of the Conference of State Bank Supervisors legislative committee, and serves on the National Association of State Credit Union Supervisors committee to review proposed federal rulemaking. Gonzales earned his law degree from the University of Tennessee.



GREG GONZALES

Greg Gonzales was named Acting Commissioner of the Department by Governor Phil Bredesen.

Bank of Bartlett Caters to the Needs of Tennessee Hispanics

Robert Byrd, Chief Executive Provides Details Surrounding Outreach Initiative

BY CRYSTAL OLDHAM, CONSUMER EDUCATION COORDINATOR

As the Hispanic population in the State of Tennessee rapidly increases, Bank of Bartlett provides more than 4,200 Latinos with services that cater to their needs. In addition, the bank began providing home mortgages to undocumented immigrants this year and has helped more than 75 Latino families legally buy homes.

Robert Byrd, Chairman/CEO of the Bank of Bartlett and Bartlett Mortgage, said there were

factors that motivated his institution to reach out to the Hispanic community.

Byrd said that in the late 1980s and early 1990s, he began to note the presence of Latinos in bank lobbies that made it clear there was a demand for banking services for Hispanics.

"On Friday afternoons they [Hispanics] would show up in long lines to cash paychecks; we kept seeing people who were cashing pretty significant

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Lavender Leaves Legacy as Commissioner

BY CRYSTAL OLDHAM, CONSUMER EDUCATION COORDINATOR

Commissioner Kevin P. Lavender resigned from the Department on Dec. 2 to take on the role of senior vice president for Corporate Healthcare Lending at Fifth Third Bancorp, headquartered in Cincinnati.

Lavender, the 17th Commissioner of the Department, was sworn into his position Jan. 18, 2003 by Governor Phil Bredesen. During his tenure, Lavender led the expansion of the Department in many areas including the development of the Consumer Resources Division, the implementation of legislation aimed at combating predatory lending and fostering financial literacy statewide.

"The Department has taken on a proactive approach by promoting financial literacy through the Consumer Resources Division. It has also increased its focus with non-depository industries with more exposure and the beefing-up of exams by putting more feet on the streets," Lavender said.

"The Department is now fully regulating title pledge lenders and registering all mortgage loan originators.

As Commissioner, Lavender always worked to combat predatory lending. During his first year, he traveled to Washington, D.C. to take part in a series of bank regulatory meetings concerning predatory lending organized by the Conference of State Bank Supervisors (CSBS).

Other dignitaries attending the



Commissioner Kevin P. Lavender

meetings included Federal Reserve Chairman Alan Greenspan, Federal Deposit Insurance Corporation Chairman Don Powell, House Financial Services Committee Chairman Michael Oxley (R-Ohio), and Ranking Member of the Senate Banking Committee Barney Frank (D-Mass.). He also met with state congressional delegates as well as staff of Majority Leader Bill Frist and Senator Lamar Alexander.

Lavender served as chairman of the CSBS National Regulatory Committee from May 2003 until June 2005.

Another element Lavender added to the Department as Commissioner was the implementation of a Hispanic outreach initiative. This initiative is still in its infancy, but Lavender said it is important to the state because the Latino community is typically targeted by predatory lenders.

"As the state's chief banking regulator, it is vital that the Department play a role in ensuring state-chartered banks, credit unions and non-depository financial institutions develop methods to increase access for Hispanic immigrants to use banking services and products," Lavender said.

Throughout Lavender's tenure as Commissioner, the Department has also maintained a record pace of development with the Bank Division.

"The number of troubled banks is down from 20 to a handful and the Department placed fifth in the nation for the number of De Novo banks last year," Lavender said.

"I maintained that the state-charter is the charter of choice and the industry is responding. The proximity of regulators is a key factor for this response as members of the Department can make it to any bank in the state within an hour. In addition, the examiners are Tennesseans and can relate to Tennessee bankers."

Lavender said the most notable change the Credit Union Division made after his arrival at the Department is the allowance of community charter conversions.

"This expansion allows the credit unions to increase their scope of services and reach into the communities in which they are a part of. Most importantly, it provides a better opportunity for continued existence," Lavender said.

CHANGES IN BANKRUPTCY LAWS

BY JUSTIN MCCLINTON, FINANCIAL ANALYST

What is regarded as one of the most significant revisions to bankruptcy laws since the 1978 Bankruptcy Code was signed into law on April 20, 2005. The “Bankruptcy Abuse Prevention and Consumer Protection Act of 2005” includes several amendments that will influence both consumer and business bankruptcy laws and will generally apply to cases filed on or after Oct. 17, 2005.

While the changes ushered in are numerous and widespread, the following highlights a select few of these amendments. Tennessee financial institutions should be aware that these as well as other amendments may apply to bankruptcy proceedings that may involve their customers.

Several of the new amendments that impact consumer bankruptcy laws apply to multiple chapters of the Bankruptcy Code, while others are limited to specific chapters.

Section 312 of the new law amends sections regarding Chapters 7 and 13 extending the minimum time allowed between discharges under certain circumstances. For example, in the case of a Chapter 7 debtor, the debtor will be denied discharge if they received a Chapter 7 or 11

discharge within eight years; two more years than the previous standard of six years.

Section 313 changes the definition of “household goods” that may avoid a nonpossessory, nonpurchase-money security interest. The revised definition conditionally excludes certain items such as works of art, antiques, jewelry, and motor vehicles and includes new limits on electronic equipment that may be considered “household goods.”

Sections 310 and 220 impact the dischargeability of credit card debt and student loans respectively. Section 310 expands the presumption of disallowing the discharge of credit card debt for fraud. In the case of “luxury goods or services,” the amount that the debtor must charge to invoke the presumption is lowered from \$1,225 to \$500 and the time period prior to filing during which these charges must be made is lengthened from 60 to 90 days. In the case of cash advances, the amount that the debtor must charge to invoke the presumption is lowered from \$1,225 to \$750 and the time period prior to filing during which these charges must

be made is only lengthened from 60 to 70 days.

An amendment included in Section 220 makes student loans nondischargeable regardless of the nature of the lender with the qualification, “unless excepting such debt from discharge... would impose an undue hardship on the debtor and the debtor’s dependents.” With this amendment, nondischarge-ability will apply to student loans from non-governmental and profit-making organizations as well as governmental and non-profit entities.

Section 1402 of the new law concerns transfers by the debtor to asset protection trusts. The section includes an amendment that will allow a trustee to “avoid any transfer of an interest of the debtor in property that was made on or within 10 years before the date of the filing of the petition,” if all of the following criteria are met:

- The transfer was made to a self-settled trust or similar device.
- The transfer was made by the debtor.
- The debtor is a beneficiary of such trust or similar device.

(continued on next page)

- The debtor made such transfer with actual intent to hinder, delay, or defraud any entity to which the debtor was or became, on or after the date that such transfer was made, indebted.

Sections 225 and 323 apply to possible exclusions from estate property related to educational retirement accounts, state tuition programs and contributions to employee plans. These sections contain amendments to the portion of the bankruptcy law that establishes the creation of an estate at the commencement of certain bankruptcy cases. This portion of the law also establishes what properties are included or excluded from such an estate. (Wedoff, Eugene R.; *Major Consumer Bankruptcy Effects of the 2005 Reform Legislation*; United States Bankruptcy Court; Northern District of Illinois; 2005)

The new law also significantly impacts homestead exemptions. Some of this impact was summarized by CNN/Money senior writer Jeanne Sahadi in an April 20, 2005 article for the publication. The article states in part:

If filers haven't lived in a state for at least two years, they may only take the state exemption of the state where they lived for the majority of the time for the 180 days before the two-year period. Filers may only exempt up to \$125,000, regardless of a state's exemption allowance, if their home was acquired less than 40 months before filing or if the filer has violated securities laws or been found guilty of certain criminal conduct. Unlike most other provisions, the new homestead exemption rules go into effect immediately.

(Sahadi, Jeanne; *President Signs Bankruptcy Bill*; CNN/Money; 2005)

One of the more notable amendments included in the new law applies exclusively to Chapter 7. The use of a means test to determine presumption of abuse is established in section 102 of the new law. The summary prepared by Chief Judge Wedoff states in part:

The presumption of abuse, set out in a new

§707(b)(2), is governed by a means test designed to determine the extent of a debtor's ability to repay general unsecured claims. The means test has three elements: (a) a definition of "current monthly income," measuring the total income a debtor is presumed to have available; (b) a list of allowed deductions from current monthly income, for purposes of support and repayment of higher priority debt; and (c) defined "trigger points," at which the income remaining after the allowed deductions would result in the presumption of abuse.

Other sections of the new law affect secured claims related exclusively to Chapter 13 cases. Some of these sections are relevant to the power of plans to strip down secured claims to the value of collateral under certain circumstances, the valuation of secured claims, the determination of adequate protection payments on secured claims or the preclusion of a plan from providing for release of lien upon payment of a stripped-down secured claim. Another section allows "a Chapter 13 plan to provide for payment of interest on nondischargeable claims, but only 'to the extent that the debtor has disposable income available to pay such interest after making provision for full payment of all allowed claims.'"

The number of bankruptcy filings increased considerably prior to the Oct. 17, 2005 deadline. According to a Sept. 23, 2005 article written by Associated Press business writer Dave Carpenter, "Filings averaged more than 9,000 per day, up roughly 50 percent from last year's average daily volume, during the first two weeks of September." The same article noted the number of personal bankruptcy filings nationwide had reached approximately 1.24 million through Sept. 17, 2005. This was a 9.2 percent increase from the previous year. However, this increase may be due to the new changes in the law or the mass marketing encouraging those considering bankruptcy to file before the new law took effect. (Carpenter, Dave; *Changes in Law Spurs Bankruptcy Filings*; Associated Press; 2005)

Disclaimer: The above article discusses federal laws; therefore, any concerns or specific questions regarding its content or application should be directed to appropriate federal authorities.

Bank of Bartlett Caters to the Needs of Tennessee Hispanics

(continued from page 1)



Robert Byrd, Chairman/CEO of the Bank of Bartlett and Bartlett Mortgage

checks. We knew we had to find a banking home for them," Byrd said.

Other issues inspiring Bank of Bartlett's outreach included the safety of Latinos carrying large

sums of cash and the fees Hispanics were paying for wire transfers and other services.

"The combination of these considerations caused us to get into the business [providing deposit and loan services to Hispanics]. The population was growing measurably, their buying power was demonstrable, and they were un-banked; these were the motivating factors that prompted us to get into the community," Byrd said.

Prior to entering the Hispanic market, Bank of Bartlett performed extensive research to determine it was legal to provide services to immigrants who are in the United States illegally, to build a delivery framework to serve the customers from different cultures and who spoke a different language and to build a comfort level for immigrants. Byrd said providing financial information and other data to Bank of Bartlett is not

likely to put the immigrant at risk with the Immigration and Naturalization Service (INS).

Bank of Bartlett sought input from the Tennessee Department of Financial Institutions (TDFI), Federal Deposit Insurance Corporation (FDIC), the Internal Revenue Service (IRS) and the Federal Reserve.

"The banking regulators have taken the position that they are not in the business of enforcing immigration laws. We established our outreach because we think it is the right and humane thing to do, and because the economic potential is substantial. We make it clear that the services are legal and we will only do business within a legal framework. There are institutions that knowingly do business with undocumented immigrants who use fake Social Security numbers, and that is fraud," Byrd said.

Byrd said Latinos come from cultures without reliable banking systems. Gaining their trust is critical and it is far more effective to communicate with the population through employees that are bicultural as well as bilingual. Bank of Bartlett has recruited and trained over 25 bilingual personnel.

While all formal business including contracts must be done in English, Spanish can be used to market to and serve Hispanics.

Byrd said marketing in Spanish makes Latino consumers feel comfortable with and trust the institution.

Bank of Bartlett reaches out to the Hispanic community through financial literacy initiatives and through partnerships with local groups including churches, housing agencies and Hispanic advocacy groups.

Byrd said providing services that cater to the needs of the Hispanic community gives his institution a competitive advantage over institutions that do not offer similar services.

"There are more than 100,000 Latinos in the Memphis market. Every day, they are migrating from being 'aggregated' to becoming 'assimilated.' The barriers to doing business with undocumented Latinos will, in my opinion, erode and eventually disappear."

Bank of Bartlett was established May 19, 1980 as a state-chartered bank and is a wholly-owned subsidiary of West Tennessee Bancshares, Inc., a one-bank holding company. On September 1, 2004, the bank became a member of the Federal Reserve System. As of June 30, 2005, Bank of Bartlett, which operates seven branches in addition to its main office, had total assets of \$435,135,000 and total deposits of \$367,595,000.

Compliance Tidbit

Mortgage renewal applications were due to the Department Dec. 1. Companies that have not submitted their renewal applications and seek to continue operating in the state should contact the Compliance Division at (615) 741-3186.

BARKER ELECTED CHAIRMAN OF TENNESSEE BANKERS ASSOCIATION

Glenn Barker, Chairman and Chief Operating Officer of Tri-County Bank in Dunlap was recently elected Chairman of the Tennessee Bankers Association (TBA).

Barker has served in many roles in TBA throughout his 32-year banking career including Board Member and President of the Independent Division and as an association Board Member.

"It is a great honor to be elected to chairman of TBA by peers after years of membership. This honor is the highlight of my career," Barker said.

"We have 100 percent membership of all Tennessee banks in TBA. We have small banks and large bank holding companies. My vision is to keep all these different groups involved in TBA. TBA is important to

consumers and financial institutions for the same reasons- to promote stronger financial institutions, to speak on issues with one voice and to be a representative of all banks' consumers suffering without a strong unified banking community."

The Tennessee Bankers Association is a trade association established to serve the needs of the state's banks, thrift institutions and trust companies. The association provides continuing education, develops and monitors state and federal legislative agendas, disseminates information on all facets of the financial services industry and promotes the public image of financial institutions.



Glenn Barker of Tri-County Bank in Dunlap has been elected Chairman of the Tennessee Bankers Association (TBA).

DEPARTMENTAL BULLETINS

September 12: The Department issued bulletins B-05-2, CU-05-1 and C-05-2 to all state-chartered and licensed financial institutions. These bulletins provide guidance in helping Hurricane Katrina evacuees and refugees gain access to financial services. For more information, please contact the Department at (615) 741-2236.

September 27: The Department issued bulletin B-05-3 to all state-chartered banks regarding the expansion of products and services, acquisition of assets, branching and other expanded activities relative to banks

with composite CAMELS, (Capital, Asset Quality, Management, Earnings, Liquidity, and Sensitivity to Market Risk), ratings of three, four or five. The bulletin supercedes B-92-1. For more information, please contact Tod Trulove, Assistant Commissioner of the Bank Division at (615) 741-6013.

October 6: The Department issued bulletin B-05-04 to all state-chartered banks regarding automated teller machines, deposit production offices and loan production offices. The bulletin supercedes B-96-3. For more information, please contact Trulove.

**To view all bulletins in their entirety
visit www.tennessee.gov/tdfi**

Williams Named Safety and Soundness Manager

BY ALICA OWEN, CREDIT UNION
ADMINISTRATIVE ASSISTANT

Trevor Williams began serving as Safety and Soundness Manager for the Department's Credit Union Division on Sept. 1.

In this position, Williams is responsible for ensuring state-chartered credit unions are in compliance with governing laws and regulations.

"Trevor is an expert in his field and I am pleased to have him on the Credit Union team because I feel he brings a sense of skilled professionalism that will only benefit the institutions we regulate," said Doreen Abbott, Assistant Commissioner of the Credit Union Division.

With more than 13 years of experience in the credit union industry, Williams served as a National Credit Union Administration field examiner six years prior to joining the Department.

Williams also served in several positions at Pioneer West Virginia Federal Credit Union, including senior vice president of member services.

Williams holds a Bachelor of Science in Accounting from Marshall University in Huntington, WV.



Frequently Asked Questions Regarding Title Pledge Legislation

BY CHRISTY BEADLE, COMPLIANCE FINANCIAL ANALYST

Q: Our business has had problems securing a license through the county clerk office. If it does not have a license, is the business grandfathered through Dec. 31, 2005 if an application is filed with the Department?

A: No. Tenn. Code Ann. § 45-15-105(a) provides that no person shall engage in the business of title pledge lending without having first obtained a license. A separate license shall be required for each location from which such business is conducted. Any person engaged in the business of title pledge lending on November 1, 2005, under a license issued by the county clerk, may continue to engage in the business without a license issued by the Commissioner, until the Commissioner has acted upon the application for a license, if the application is filed by December 31, 2005. Any title pledge lender not licensed with the county clerk on November 1, 2005 should submit an application to the Department as soon as possible, but must have ceased engaging in the title pledge business as of November 1 until such time as the Commissioner has acted upon the application.

Q: Are pawnshops covered by this law?

A: No. Pawnbrokers are covered by the Tennessee Pawnbrokers act of 1988, Tenn. Code Ann. §§ 45-6-201, et seq.

Q: If we have a deferred presentment or check cashing business, do we have to keep separate customer files for title pledge customers?

A: Yes. Pursuant to Tenn. Code Ann. § 45-15-108(d), all records of the title pledge lending business shall be maintained separately by the title pledge lender from any other business in which the title pledge lender may engage.

Q: Is the allowed interest rate a flat 22 percent or \$20 plus 2 percent?

A: Tenn. Code Ann. § 45-15-111(a) provides that a title pledge lender shall contract for and receive an effective rate of interest not to exceed two percent (2%) per month; additionally, the title pledge lender may charge, contract for, and receive a customary fee to defray the ordinary costs of operating a title pledge office, and such fee may equal no more than on fifth (1/5) of the original principal amount of the title pledge agreement or property pledge agreement, or of the total unpaid balance due at the inception of any renewal of such agreement.

Q: Does the principal reduction apply to present loans?

A: Effective November 1, 2005, Tenn. Code Ann. § 45-15-113(d) requires that, beginning with the third renewal or continuation and at each successive renewal or continuation thereafter, the pledgor shall be required to make a payment of at least five percent (5%) of the original principal amount of the title pledge transaction, in addition to interest and fees authorized by the Act. For purposes of this principal

reduction requirement, with respect to any title pledge transactions which were entered into prior to November 1, 2005 and which were renewed on or after November 1, the Department will treat the first renewal on or after November 1 as the initial transaction date.

Q: Can a title pledge lender sell a past due loan to a repossession person?

A: No. Pursuant to Tenn. Code Ann. § 45-15-105(a), no person shall engage in the business of title pledge lending without having first obtained a license, and Tenn. Code Ann. § 45-15-106(h) provides that the license is not transferable or assignable.

Q: Does a title pledge license give industry professionals the right to sell vehicles without other restrictions?

A: No. Tenn. Code Ann. § 45-15-114(b)(2) provides that if a pledgor fails to redeem the titled personal property and certificate of title during the required twenty (20) day holding period, then the title pledge lender shall have a period of sixty (60) days in which to sell the titled personal property in a commercially reasonable manner. For purposes of this section, "commercially reasonable" is a sale that would be commercially reasonable under Tennessee Code Annotated, Title 47, Chapter 9, Part 6. The proceeds of the commercially reasonable sale shall be applied to the principal, interest and all fees authorized by the Act owed by the pledgor to the title pledge lender, including the actual direct costs of the sale. Any surplus from the sale of the titled personal property shall be remitted to the pledgor after such sale and shall not be retained by the title pledge lender.

Q: Are title pledge lenders required by the Commissioner to obtain a motor vehicle dealer license for the purpose of selling motor vehicles that have been repossessed?

A: No. The Department has previously inquired of the Motor Vehicle Commission of the Tennessee Department of Commerce and Insurance whether title pledge lenders would be required to obtain a motor vehicle dealer license for the purpose of selling motor vehicles that have been repossessed. In July of 2005, The Motor Vehicle Commission advised the Department that title pledge lenders would not be required to obtain such a license based upon Tenn. Code Ann. § 55-17-102(17)(e), which provides in part that the terms "motor vehicle dealer" and "motor vehicle salesperson" do not include loan companies that have not obtained a motor vehicle for the purpose of resale, selling or offering to sell used motor vehicles directly to the public without the intervention of any other person, when such sales are merely incidental to their primary business activities. The Motor Vehicle Commission further advised that this statute would apply to title pledge lenders as long as the sales conducted are incidental to the primary business of title loans, and that no motor vehicle dealer license would be required to conduct such sales.

Effective November 1, 2005, pursuant to Chapter 440 of the 2005 Tennessee Public Acts, the Department of Financial Institutions became responsible for the execution of all laws relative to persons doing or engaged in business under the Tennessee Title Pledge Act, Tenn. Code Ann. §§ 45-15-101, et seq. (the "Act"), which was amended to provide for, among other things, statewide licensing of title pledge lenders by the Department.

Any individual, sole proprietorship, general partnership, corporation or limited liability company engaged in the business of title pledge lending on November 1, 2005 under a license issued by the county clerk, may continue to engage in the business without a license issued by the Commissioner until the Commissioner has acted upon the application for a license if the application is filed by December 31, 2005; otherwise, no such person shall engage in the business of title pledge lending after October 31, 2005 without first obtaining a license.

For more information please contact the Department's Compliance Division at (615) 741-3186, or visit the website at: www.tennessee.gov/tdfi.

FIRC at Tennessee State University

The Tennessee Department of Financial Institutions partnered to open a Financial Information and Resource Center (FIRC) Sept. 14 through Oct. 12 on the campus of Tennessee State University (TSU).

The center offered TSU students information and literature on financial management, equipped them with the resources to make sound financial decisions and provided counseling to students in financial crisis.

"The Department was pleased to partner with TSU, the Tennessee Jump\$tart Coalition and other agencies for the FIRC. This was an innovative initiative that offered students the knowledge and skills necessary to manage their personal finances," said Nicole Lacey, Assistant Commissioner of the Consumer Resources Division.

Trained counselors staffed the center and offered basic information on various financial issues including budgeting, managing and reducing debt, reviewing credit reports and improving credit.

FIRC Partners included:

- Tennessee State University
- Tennessee Jump\$tart Coalition
- AmSouth Bank
- Federal Reserve Bank of Atlanta
- Fifth Third Bank
- Pinnacle Financial Partners
- SunTrust Bank
- Tennessee Bankers Association
- Tennessee Credit Union League
- Tennessee Department of Commerce and Insurance
- University of Tennessee Agriculture Extension
- US Bank

Statewide Examination Sessions Held for Mortgage Brokers

At the request of the Tennessee Association of Mortgage Brokers (TNAMB), the Compliance Division conducted statewide training sessions on the examination function for TNAMB membership throughout August.

The sessions, which were held in Memphis, Nashville, Chattanooga and Knoxville, provided the mortgage industry an overview of the Division's examination function, as well as offered licensees information about the specific type of information that examiners look for during on-site examinations. Approximately 50 industry professionals attended each session.

"The TNAMB training sessions were well attended and well received to the extent that the association invited the Department to conduct similar outreach initiatives in the future. We look forward to that opportunity," said Mike Igney, Assistant Commissioner of the Compliance Division.

TNAMB is the only statewide industry-supported association dedicated to advancing the knowledge and understanding of the mortgage broker profession. TNAMB strives to educate and inform the public, legislators and government agency officials regarding the services mortgage brokers provide to home loan borrowers.

Department Partners With MTSU to Put Financial Literacy In Classrooms

Sidney McPhee, President of Middle Tennessee State University (MTSU) and Commissioner Kevin P. Lavender signed a Memorandum of Understanding (MOU) on Nov. 14 at MTSU. The MOU outlines the incorporation of financial literacy lessons into MTSU's University 1010, a course designed to familiarize freshmen with the college transition. *Jim Burton, Dean of MTSU's Business School is seated to the far right. Standing behind is Greg Gonzales,*



Assistant Commissioner of Administration and General Counsel and Nicole Lacey, Assistant Commissioner of the Consumer Resources Division for the Department of Financial Institutions.

Longtime Department Employees Retire

Two longtime Department employees retired after providing decades of service to the citizens of Tennessee.

Stephen Henley, former Director of Licensing for the Compliance Division and Curtis Faulkner, former Applications Program Administrator for the Bank Division officially retired from the Department in October.

An employee of the Department for eight years, Henley oversaw the application process for potential licensees and was responsible for ensuring deferred presentment companies, check cashers and money transmitters operated in compliance with governing laws and regulations.

Faulkner was an employee in the Department for 27 years. Prior to becoming Applications Program Administrator, he served as Bank Examiner, Regional Supervisor and Division Manager.

Bart Daughdrill, former Compliance Loan Examiner was promoted to the position of Director of Licensing for the Compliance Division and Joyce Simmons, former Bank Examiner was promoted to the position of Program Administrator for Applications for the Bank Division.

BANK APPLICATION REPORTS

	BANK APPLICATION REPORTS		
	Name & Location	Nature of Change	Date Effective/Approved
SEPTEMBER '05	Civic Bank Nashville, TN	Acquisition by Civic Bancorp, Inc. Nashville, TN	Effective: 9/20/05 Approved: 7/27/05
	First Volunteer Bank of Tennessee Chattanooga, TN	Patti Steele named as President and CEO	Effective: 9/14/05 Approved: N/A
	First Commerce Bank Lewisburg, TN	New Branch Facility Open: 4650 Nashville Highway Chapel Hill, TN	Effective: 9/6/05 Approved: 10/11/04
	Bank of Tennessee Kingsport, TN	New Branch Facility Open: 402 Roy Martin Road Gray, TN	Effective: 9/12/05 Approved: 6/21/05
	First Farmers and Merchants Bank Columbia, TN	New Branch Facility Open: 106 Highway 70 East Unit #3 Dickson, TN	Effective: 9/19/05 Approved: 9/12/05
OCTOBER '05	First Capital Bank Germantown, TN	Relocate main office from 2171 Judicial Drive to 7575 Poplar Avenue, Both locations in Germantown, TN.	Effective: 10/31/05 Approved: 10/4/05
	Andrew Johnson Bank Greeneville, TN	Relocate branch facility from 806 East Jackson Boulevard, Suite 3 to 1551 East Jack- son Boulevard, both locations in Jonesborough, TN.	Effective: 10/11/05 Approved: 5/9/05
	Greene County Bank Greeneville, TN	Purchase and Assumption of Clarksville Branches of Old National Bank, Evansville, IN. Locations are as follows: (1) 25 Jefferson Street, Clarksville, TN, (2) 1805 Madi- son Street, Clarksville, TN, (3) 2786 Wilma Rudolph Boulevard, Clarksville, TN, (4) 111 Cunningham Lane, Clarksville, TN, (5) 599 Firestation Road, Clarksville, TN.	Effective: 10/7/05 Approved: 9/13/05
	Citizens Tri-County Bank Dunlap, TN	Relocation of Branch Facility from 14 College Street to 80 East Main Street, both locations in Monteagle, TN	Effective: 10/11/05 Approved: 2/22/05
	Bank of Frankewing Frankewing, TN	Open New Branch Facility 1200 North Locust Avenue	Effective: 6/27/05 Approved: 4/28/04 Notice Received: 10/12/05

Department Partners for Hispanic Business Symposium

The Department sponsored a Tennessee Hispanic Chamber of Commerce (THCC) business symposium on Oct. 7 titled "Bridging Business, Economic and Workforce Challenges."

The event, which took place at Gaylord Springs Golf Links in Nashville and had more than 75 attendees, was designed to gather Hispanic business owners and community leaders as a means to cultivate and nurture professional relationships.

The symposium was sponsored by several other organizations including local, state and federal agencies such as the City of Nashville, the Tennessee Department of General Services and the office of United States Congressman Harold Ford Jr. Governor Phil Bredesen delivered the keynote address for the symposium.

"We are working hard to address the needs of a diverse population that continues to

grow and change. Organizations like the Tennessee Hispanic Chamber of Commerce and other associations across the state play a vital role in helping our government ensure that every Tennessean is valued and represented," Bredesen said.

The Tennessee Hispanic Chamber of Commerce is located in Nashville. It is a non-profit organization designed to promote business ownership and provide services throughout the Hispanic community.

BANK APPLICATION REPORTS

Name & Location

Nature of Change

Date Effective/Approved

Putnam 1st Mercantile Bank
Cookeville, TN

New Bank Open:
200 West Jackson Street, Cookeville, TN
Telephone: (931) 528-6372

Effective: 11/28/05
Approved: 10/18/05

First Vision Bank of Tennessee
Tullahoma, TN

New Bank Open:
113 West Ogee Street, Tullahoma, TN
Telephone: (931) 454-0500

Effective: 11/28/05
Approved: 10/05/05

The Bank of Tullahoma
Tullahoma, TN

New Bank Open
1400 North Jackson Street, Tullahoma, TN
Telephone: (931) 393-2265

Effective: 11/28/05
Approved: 10/24/05

Bank of Tennessee
Kingsport, TN

New Branch Facility Open:
4400 Harding Road, Suite 304, Nashville, TN

Effective: 11/7/05
Approved: 10/24/05

Greene County Bank
Greeneville, TN

New Branch Facility Open:
1915 Glen Echo Road, Nashville, TN

Effective: 11/14/05
Approved: 10/3/05

Clayton Bank and Trust
Henderson, TN

New Branch Facility Open:
620 Market Street, Knoxville, TN

Effective: 11/14/05
Approved: 10/20/05

Wilson Bank & Trust
Lebanon, TN

New Branch Facility Open:
802 Northwest Broad Street, Murfreesboro, TN

Effective: 11/14/05
Approved: 10/25/05

Community First Bank & Trust
Columbia, TN

Engage in the sale of non-deposit products through Linsco/Private Ledger Corporation

Effective: 10/10/05
Approved: 10/3/05
Notice Received: 11/15/05

NOVEMBER '05

CURRENCIES

Published by the State of TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS

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Acting Commissioner

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Communications Officer

Tod Trulove
Assistant Commissioner
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